GRUMMAN DAILY EDITION
plane news
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Esprit and daring

"Japan-like esprit and daring tactics" are two of Grumman's biggest weapons against the LTV takeover attempt, *Fortune* magazine reports in its November 16 issue.

"LTV's biggest surprise has been the effusive demonstrations of loyalty among Grumman employees and throughout Long Island, where Grumman is the largest employer," *Fortune* says.

"While there's no company hymn and no company kimono, Grumman possesses the kind of esprit usually associated with the Japanese. Workers and managers speak directly to one another – there's no union – and firings are rare. At Christmas every Grummanite takes home a turkey and once a year the whole gang – 40,000 including families – gathers at the company's airport assembly plant. All this corporate chauvinism could at some point cause Paul Thayer, 61, LTV's chairman, to ponder whether to press his fight."

The article appears on page 7 in *Fortune's* "In the News" section.

Bethpage rallies for Grumman

The place to be at lunchtime **today** is the Bethpage railroad station, just off Stewart Avenue.

At noon, right next to the Lunar Module display, people from Bethpage and representatives of other Island communities will show support for the company on *Bethpage Grumman Appreciation Day.* "We organized the day on behalf of various civic groups and other concerned residents," says Anthony Sabino, Bethpage Rotarian and organizer of the event.

Representatives from Nassau County and the Town of Glen Cove will present citations to Grumman officials at the rally. In addition, Sabino plans to present Grumman with petitions which Bethpage citizens signed in support of the Grumman fight against LTV.

Many merchants in the area are planning specials for the occasion, according to Sabino; Grummanites might want to spend lunchtime rallying 'round the banner being waved over Grumman's hometown, Bethpage.

Labor Dept. suit hearing today

At U.S. District Court in Uniondale today, Judge Jacob Mishler will hear testimony and legal argument in a suit instigated by the Secretary of Labor. The suit charges that Grumman pension plan trustees breached their fiduciary responsibilities to plan members, violating the federal Employee Retirement Income Security Act (ERISA).

On the dotted line. *There is strength in numbers – and the Grummanites who put their names on petitions backing the Pension Plan trustees feel their case is a strong one. Linda Byrnes' name was one of 16,000 presented to Federal Judge Jacob Mishler late yesterday.*

October 29, 1981 — Grumman shares closed at 28 today; approximately 66,600 Grumman shares were traded.

'Grumman and Long Island...helped each other grow and prosper'

On October 8, the *Bethpage Tribune* published the following editorial.

Imagine yourself comfortably situated in your home, making repairs, paying bills, buying supplies and generally "taking care of business" to the best of your ability; when one day, you receive a letter from someone in the south west, offering to buy your home at what they consider to be a fair price. He says in his letter, "My family and I are going to buy your home and property. Please arrange to move out so that we can move in."

You read this letter again, in amazement. "Why, what can this person be thinking of" you say, "my home is NOT for sale." You discard this letter without even answering it, because really, there was never a question.

A hypothetical situation? Not really! This is just about the circumstances Grumman finds itself in today. LTV of Dallas, Texas, has offered to buy, and indeed intends to buy, Grumman Corporation of Long Island. But Grumman is not and has not ever been for sale. Yet, management must fight in the courts to prevent this act of piracy.

It is hard to see the good and bad of the LTV plan to takeover Grumman. Well, maybe not so hard to see the bad, but the good points are elusive. There is much to think about here. Not only Grummanites, but the whole of Long Island, will be affected by the proposed takeover. What are the real motives and intentions of LTV!

Already carrying a debt burden of over $1.3 billion, LTV is ready to go ahead and borrow more money to finance this deal. Sounds like bad business on the surface; but look again. LTV has done their homework, and they see Grumman as a growing concern. Over the next ten years they could use Grumman earned money to pay off their old debt and their new one, too. Probably with the result of draining Grumman assets. Instead of re-investing Grumman projects, the revenue will go to pay LTV debts.

Employment on Long Island is deeply dependent on Grumman. Not only by its direct employees, but by the many smaller firms here on Long Island that supply Grumman with materials and services. The truck driver out in Wading River is probably delivering supplies; the typist in Syosset may be preparing a proposal for material costs; and what about the food service people on the outside, who may be supplying sustinence for some of Grumman's thousands of workers. All these people have work because Grumman needs them.

LTV promises to locate the headquarters of its planned Grumman-Vought subsidiary in Bethpage, and further promises to keep the existing Grumman facilities on Long Island. That is a fine and encouraging promise, but is it a "campaign promise?" They are a southwest concern after all. They know first hand that back home in Dallas, the taxes are lower and labor is cheap. How long will it be before LTV decides that it makes good sense to move its Grumman-Vought operations to Texas, taking many Long Island jobs with them and leaving behind a bleeding economy?

Grumman has a reputation of providing quality products. Quality is part of the heritage of Grumman, the end result of design expertise, manufacturing capability and a high degree of technology. Today, Grumman is the U.S. Navy's best contractor. Grumman management may not always have been beyond reproach, but they have given their employees a high sense of morale and a great deal of pride in what they have produced. What would happen to that pride and high spirit under new and unsolicited management? It would probably resemble a deflating balloon.

Grumman personnel in general, from management to maintenance, strongly oppose the takeover. If LTV succeeds in their attempt to make Grumman a subsidiary, there will be bad feelings behind—and in front of—the Grumman gates for a long time to come. Productivity and quality will suffer and tradition will fly out the window.

Grumman and Long Island, Bethpage especially, were childhood sweethearts. They helped each other grow and prosper. Now, as they reach maturity together, they don't need (or want) this third party to form a triangle and eventually split up a great team.

There is really nothing wrong with one company absorbing another. In most cases it's good business. But, it should be by mutual agreement. Gentlemen respect each other's boundaries and territories.

Stockholders—take a good look at this LTV offer. Look beneath the surface. Hopefully, you will see the importance of HOLDing your STOCK. Grumman Corporation and the Long Island community need your support now.

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Published to keep you informed about the unsolicited takeover attempt.

Questions or comments? Contact us.

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